Bank Dhofar Morning Market Update

Date: 03/11/25

Global Update

Asian stocks advanced alongside US equity-index futures, suggesting that the seven-month rally in global equities may still have room to run amid strong tech earnings and easing US–China trade tensions.Contracts for the S&P 500 and the Nasdaq 100 rose 0.2% after the underlying gauges gained Friday, with earnings optimism outweighing worries about a rally that's heavily concentrated on tech giants. Asian shares advanced 0.3%, with South Korea reaching a record, while Chinese indexes fell.Stocks have rallied to record levels, even after Federal Reserve Chair Jerome Powell warned that a December rate cut isn't a foregone conclusion and megacap tech earnings were mixed. Trade tensions have also eased, with Beijing signaling plans to suspend new export controls on rare earth metals and end investigations into US firms in the semiconductor supply chain.Attention was also on commodities as China announced the scrapping of a long-standing gold tax incentive in a potential setback for consumers in one of the world's top bullion markets. The precious metal surged to a record high in early October, aided by a buying frenzy among retail investors, before dropping sharply in the final two weeks of the month.

EUR/USD edges lower and continues its losing streak for the fourth successive session, trading around 1.1530 during the Asian hours on Monday. The pair remains subdued as the US Dollar receives support from dampening expectations for a December rate cut by the US Federal Reserve, following the central bank's decision to lower its benchmark overnight borrowing rate for the second time this year to a range of 3.75%-4.0%.The Relative Strength Index (RSI) indicator on the 4-hour chart stays in between 30 and 40, suggesting that the bearish bias remains unchanged and that there is room on the downside before EUR/USD turns technically oversold.On the downside, 1.1550 (static level) aligns as the immediate support level before 1.1500 (Fibonacci 78.6% retracement) and 1.1450 (static level). Looking north, the first resistance level could be spotted at 1.1620 (20-day SMA) ahead of 1.1670-1.1680

Source: Reuters, Bloomberg

Currencies	Open	High	Low
EURUSD	1.1539	1.1539	1.1522
GBPUSD	1.3128	1.3145	1.3128
USDJPY	154.00	154.2500	153.98
USDINR	88.77	88.80	88.75
USDCNY	7.1197	7.1197	7.1155

Rates	Last Price	Previous Day Close
O/N SOFR	4.040	4.040
1 month SOFR	4.000	4.000
3 month SOFR	3.889	3.889
6 months SOFR	3.789	3.789
12 month SOFR	3.612	3.612

USDCHF	0.8038	0.8053	0.8033
AUDUSD	0.6547	0.6556	0.6539
NZDUSD	0.5739	0.5739	0.5713

A gauge of the dollar edged sideways as investors awaited speeches from Federal Reserve officials for more clues on the central bank's policy path.The euro was little changed at $1.1535.The Japanese yen was little changed at 154.05 per dollar.The offshore yuan was little changed at 7.1178 per dollar.GBP/USD slipped 0.1%.AUD/USD steady after a third weekly gain. NZD/USD fell for a 4th session.

3 years IRS	3.327	3.327
5 years IRS	3.378	3.378

Treasury futures inched higher while Australian yields rose ahead of an interest rate decision by the country's central bank on Tuesday.German inflation slowed closer to 2% in October, reinforcing the European Central Bank's view that price growth is in check.The Bank of Japan policy board left its benchmark interest rate unchanged at 0.5% despite Governor Kazuo Ueda giving subtle indications that a hike is coming nearer.Japan's 10-year yield advanced one basis point to 1.655%.Australia's 10-year yield advanced six basis points to 4.35%.

	Current Levels
CBO Repo Rate	4.75
O/N OMIBOR	4
***Bank Deposit Rates for 1 years**	4.00
Bank Deposit Rates for 5 years	4.00

*Amount>500k OMR

Calendar

Key Data Watch	Time (GST)	Expected	Prior
ISM Manufacturing	19:00	49.5	49.1
ISM Employment	19:00		45.3

Global Markets

	Level	1-Day Change (%)	YTD (%)
S&P 500	6840	0.262	16.30
Euro Stoxx 600	572	-0.512	12.66
ShanghaiComposite Index	3957	0.049	18.05
MSX-30	5634	0.424	23.11
NIFTY-50	25720	-0.006	8.78
Brent Crude ($/bbl)	64.95	0.309	-9.18
Gold ($/oz.)	4006	0.067	52.62
DXY	100	-0.059	-8.06
Silver($/oz.)	49	0.233	68.86

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